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Food and Agricultural Import Regulations and Standards - Narrative

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Office of Agricultural Affairs

Report Highlights:

This report is an annual update of the agricultural product import standards and enforcement mechanisms in Venezuela for U.S. exporters of agricultural commodities, foods and beverages. Venezuela remains a complicated destination for exporting agricultural products, but opportunities exist.

Author Defined:

DISCLAIMER: This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in Caracas, Venezuela. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies were not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

Section I. Food Laws:

Venezuela's food and agricultural regulatory system is complicated and involves laws, norms and regulations that can be challenging to understand and inconsistently enforced. The following presents a general overview of the ministries and agencies that are directly involved with animal and plant health import regulations and food safety standards in the Government of the Bolivarian Republic of Venezuela (GBRV). The ministries and agencies' main functions and objectives, as well as the current regulatory framework, are further explained in this section.

Venezuelan Agriculture and Food-related Ministries and Agencies:

The **Ministry of Food** (Spanish acronym: MINAL) is responsible for ensuring food safety. Imports and exports of food for human consumption are also under the authority of MINAL through the issuance of import permits, licenses and any other document needed for agricultural and processed food products. MINAL supervises almost every aspect related to the production, distribution and storage of food for human consumption. On May 19, 2016, the GBRV created a company called **Corporation of Productive and Alimentary Services** (in Spanish: *Corporación Única de Servicios Productivos y Alimentarios* or CUSPAL) under MINAL that manages all the state food imports, distribution and retail networks. This company is responsible for purchasing domestically produced and imported food and agricultural products. Food products purchased by CUSPAL are distributed in government food distribution and supply chain networks. These government networks include MERCAL, PDVAL, Bicentenario and, indirectly through regional governments to the Local Committees for Food Supply and Production (CLAP) that distribute food to low income households. The main MINAL food agencies are:

- **MERCAL** (in Spanish: *Mercado de Alimentos*) is a government-owned food distribution retail chain that supplies small to medium size stores and supermarkets. The main objective of MERCAL is to market affordable food products, including staple products for all Venezuelan consumers, specially the lower class consumer. Basic food products are offered at very low prices, even lower than controlled-priced products sold in the private sector supermarkets.
- **Venezuelan Food Producer and Distributor, S.A.** (in Spanish: *Productora y Distribuidora Venezolana de Alimentos, S.A.* or PDVAL) was created with the objective of ensuring the food supply of the basic basket of food goods, including raw materials for food processing and other agricultural products that are considered basic foodstuffs important to the Venezuelan household.

- **BICENTENARIO, S.A.** a government-owned grocery supermarket retail chain that allows for the equitable distribution of food and staples at "a fair price," according to the store's motto. The French mass retailer, *Groupe Casino*, previously owned much of the retail infrastructure of BICENTENARIO until expropriation by the Venezuelan government in 2010.
- **CASA Logistics, S.A.** (in Spanish: *Logística CASA, S.A.* or LOGICASA) is the logistics arm of government food distribution programs and is responsible for customs operations, quality control, cold chain, dry goods storage and transportation of domestic and imported agricultural products.
- **Foundation for Strategic Food Supply** (in Spanish: *Fundación Programa de Alimentos Estratégicos* or FUNDAPROAL) is an institution whose mission is the distribution of food to address extreme poverty and social vulnerability through subsidized meal and food access programs.
- **National Superintendence of Agricultural and Food Management** (in Spanish: *Superintendencia Nacional de Gestión Agroalimentaria* or SUNAGRO) is responsible for inspecting, monitoring and controlling the agricultural supply chain, including silos, other agricultural storage infrastructure, and oversight of the delivery of agricultural products from private companies and cooperatives throughout the country.

The **Ministry of Agriculture and Lands** (Spanish acronym: MAT) is responsible for promoting sustainable development of the Venezuelan agricultural and livestock sectors through the support, direction and evaluation of agricultural activities. The principal MAT sanitary/phytosanitary (SPS) agency is the National Institute of Integral Agriculture and Animal Health (Spanish acronym: INSAI):

- INSAI is responsible for managing and protecting domestic agricultural production, including ensuring the legislation and compliance of SPS regulations for preventing the introduction or spread of diseases and pests that threaten sustainability and food sovereignty. Among its functions is the regulation of the export, import and internal transfer of animals and plants as well as agricultural products and by-products. INSAI's charge is to guarantee the nation's comprehensive agricultural health and is the counterpart to the U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS).

The **Ministry of Fishing and Aquaculture** (Spanish acronym: MPA) is responsible for the regulation and promotion of the national fisheries and aquaculture sectors. MPA promotes production, industry development and related marketing activities that support domestic product demand and promote international trade. In addition, MPA regulates the fisheries and aquaculture sectors through the Fishing and Aquaculture Institute (Spanish acronym: INSOPESCA):

- INSOPESCA is the regulatory arm of MPA that establishes and implements policies that support the sanitary development of the fishing and aquaculture sectors.

The **Ministry of Health** (Spanish acronym: MINSALUD) regulates domestically produced and imported processed food products, beverages, additives and food colors destined for human

consumption. MINSALUD has responsibility in developing and implementing food norms and regulations, such as enforcing food recalls and recommendations to other ministries to ban a local and/or imported food product hazardous to human health. The following are MINSALUD's key regulatory authorities for food products:

- The **Sanitary Health Service (or Comptroller)**, through the Directorate for Food Safety and Inspection, is responsible for registering processed food products. Imported and local products must be registered with the Comptroller before being sold in Venezuelan.
- The **Rafael Rangel National Hygiene Institute**: The Institute serves as the government's reference lab for all food testing. This is the only authorized institute to conduct food analysis for product testing and registration.
- The **National Nutrition Institute**: The institute is responsible for establishing nutrition guidelines and recommended daily nutritional intakes.

The **Ministry of Popular Power for Economy and Finance** (Spanish acronym: MEF) has the primary responsibility for the industrial and commercial sectors of Venezuela, including policies regarding technical standards and intellectual property. MEF is also part of an inter-ministerial commission along with MINAL, MAT and MINSALUD that define the criteria for allowing imports of agricultural and processed food products. The Ministry also supervises advertisements dealing with food, food quality, labels and health-related issues.

The following are MEF's agencies involved with agricultural and processed food products:

- The **National Autonomous Standardization, Quality, Metrology and Technical Regulations Service** (Spanish acronym: SENCAMER) is responsible for technical standardization, quality control, metrology, certification programs and maintains the register of mandatory technical regulations. Selected processed food products must be registered through SENCAMER. The former Venezuelan Commission for Quality and Industrial Norms (Spanish acronym: COVENIN) was the compiling body for technical standards and norms; however, that responsibility now lays with SENCAMER, but the name "COVENIN" has been kept for the published norms. Readers should note that the Fund for Standardization and Quality Certification (Spanish acronym: FONDONORMA) is no longer authorized to certify products and quality systems.
- The **Intellectual Property Registration Service** (Spanish acronym: SAPI) is responsible for the administration of intellectual property rights in Venezuela. SAPI has two main operational branches: 1) the Industrial Property Registration Directorate (Spanish acronym: DRPI) is responsible granting patents, utility models, industrial designs, breeder certificates (for plant varieties) and the registration of trademarks, trade names, commercial slogans and appellations of origin; and, 2) the National Copyright Directorate (Spanish acronym: DNDA) has administrative responsibilities for registration, monitoring and inspection in connection with copyright and related rights.
- The **National Superintendence for the Protection of Socio-economic Rights** (Spanish

acronym: SUNDDE) is responsible for granting protections to consumers and end-users against fraudulent sales and promotions, overpricing, usury and warranty incompliance. It has the authority to conduct on-site inspections of points of sale, manufacturing and processing facilities, and warehouses. SUNDDE's inspections can lead to the shutdowns of businesses and the expropriation of private sector property and manufactured goods.

The **Ministry of Economy and Finance** has many responsibilities including the collection of taxes and import duties.

- The **National Integrated Tax Administration Service** (Spanish acronym: SENIAT) administers custom services and is responsible for the surveillance and control of imported and exported products through the borders and ports of Venezuela, as well as the assessment and collection of import duties and taxes. SENIAT observes the Organic Law of Customs and corresponding regulations regarding customs import and export procedures. SENIAT has the authority to shutdown businesses based on contraband charges or tax collection non-compliance.

The **Ministry of Foreign Affairs** coordinates with MINAL, MAT, MINSALUD and MEF in the formulation of international policies, direction of international affairs and signing of trade agreements and other international conventions. It carries the responsibility of supporting commercial negotiations and offering assistance in dispute settlements.

FOOD LAWS

The Official Gazette (in Spanish: *Gaceta Oficial*) is the principal legal publication of the GBRV that announces updates, changes and new norms and regulations. The Gazette was established in 1941 with the purpose to inform the public about any law, decree, agreement or other dispositions that affect individuals, institutions, and/or the private sector. The Gazette can be accessed through the following web page: <http://www.imprentanacional.gob.ve>.

1. General Food Norm

GBRV legislation governing domestically produced and imported processed food products, beverages, additives, and coloring agents for foods destined for human consumption are contained in the General Food Norm. This food safety regulation outlines all requirements, including labeling, which processed food products must fulfill prior to commercial sales. The norm also requires registration for locally produced and imported processed food products. Complementary norms were established on March 3, 1996 (Official Gazette N° 35,921). An online version of the Food Law and the Complementary Norms can be found at the following website:

http://www.inhrr.gob.ve/normativa_pa.php.

Although the norm was established back in 1959 (Official Gazette N° 25,864) it originally stated that MINSALUD along with MAT, were responsible for controlling the quality of food products destined for human consumption. However, due to the latest changes of MAT's functions, MINAL has taken over this specific task. MINSALUD enforces food recalls and recommends MINAL to declare bans of local and imported processed food products thought to be harmful to human health.

2. Law on Animal and Plant Health Defense / Agricultural Comprehensive Health Law

The Law on Animal and Plant Health Defense establishes regulations, conditions and prohibitions for imports and exports of animal and plant products. Its goal is to control plant and animal disease and pest outbreaks that may affect both animal and plant products, and relates to the study and prevention of diseases, plagues and all other agents that are harmful to animals and vegetables and their products. INSAI is the regulatory enforcement agency for these laws. It was published in the Official Gazette N°20,566 on August 15, 1941. The Agricultural Comprehensive Health Law from June 2008 published at the Official Gazette N° 5.890 replaced the Law on Animal and Plant Health Defense (in Spanish: *Ley sobre Defensas Sanitarias Vegetal y Animal*). An online version of the Agricultural Comprehensive Health Law can be found at the following website: http://www.insai.gob.ve/?page_id=145.

3. Seed Law

The new seed law published on December 28, 2015 (Gaceta Oficial 6.207) prohibits the use, application and, research in modern agricultural biotechnology. According to this law the following techniques are prohibited:

- In vitro nucleic acid techniques, including the recombinant DNA technique and the direct injection of nucleic acids into cells or organelles.
- The fusion of cells of species beyond the taxonomic family, which exceed the natural barriers of reproduction or recombination and are not techniques used in traditional reproduction and selection.

This law also prohibits the production, import, use, release and multiplication of transgenic or genetically engineered seeds, and the granting of copyright protection and patents on any type of seed. Violators of this law can be subject to sanctions ranging from fines to imprisonment.

An online version of the Seed Law of 2016 can be found at the following website: www.inia.gov.ve/images/documentos/Ley_de_semilla_2016.pdf.

4. Good Manufacturing Practices' Regulations

This Resolution establishes the rules for manufacturing, storage and transportation practices of foods for human consumption, published at the Official Gazette N° 36,081, dated July 11, 1996. MINSALUD and SUNDDE are the regulatory enforcement entities for these regulations.

5. Law for the Defense of the People in the Access to Goods and Services

The Law for the Defense of the People in the Access to Goods and Services is one of the more encroaching laws for the agriculture sector, enacted on July 31st, 2008, by Presidential Decree. The objective is “the defense, protection and safeguard of individual and collective rights and interests in the access of people to goods and services for the satisfaction of their needs... and to establish penalties, sanctions and compensation for injury; as well as to regulate its application ...with the active participation of communities.” The law was amended on February 1, 2010 and published at the Official Gazette No. 39,358.

The 2008 law revoked “the Special Law for Popular Defense against Hoarding, Speculation, and Boycott” and any other behavior affecting the consumption of food and products submitted to price control and reforms thereafter from May 2004. In addition, the “Law of Consumer and User

Protection” from May 1995 was revoked. This law is enforced by SUNDDE which has authority to inspect and, if necessary, shutdown points of sales, manufacturing and processing facilities, and warehouses.

6. Law on Fair Costs and Prices

The GBRV’s Law of Profits, Costs and Fair Prices went into effect in November 2011, and later amended in February 2014. SUNDDE is the primary regulatory authority enforcing the law. The law aims to stabilize prices, guarantee access to goods, and to attack inflation. The new regulatory authority will establish the standards for the National Registry of Prices of Goods and Services, as well as regulating prices. Under this law, SUNDDE has the authority to set maximum retail prices or the price ranges for goods and services.

Exchange Rate Policy

Since early 2003, strict governmental controls limit foreign exchange transactions in the country. The lack of access to U.S. dollars is arguably the most significant obstacle to trade for importers. In early 2014, the GBRV created the National Center for Foreign Trade (Spanish acronym: CENCOEX) responsible of foreign exchange administration. In previous years Venezuela managed multiple official exchange rates depending on the circumstance, but was simplified to two, DIPRO and DICOM, on March 9, 2016 (Official Gazette No. 40.865). The DIPRO exchange rate, about bolivares (Bs.) 10.00 per \$1.00, is primarily reserved for government procured imports of critically scarce items, such as food and medicine. The other, DICOM, is a subsidized exchange rate for all other dollar transactions and sales by the Venezuelan Central Bank to the private sector for imports of scarce, critical items, valued at around Bs. 3,345.00 per \$1.00. The Central Bank has adjusted the DICOM rate measurably since its inception mostly due to monetary policy pressures to address inflation. Beginning in June 2017, the domestic food manufacturing sector was receiving dollars for imports at the DICOM rate of exchange, providing a maximum amount of \$400,000 per month. The dollar distributions abruptly ended on/around September 2017, a likely factor of rapidly climbing inflation and limited Central Bank dollar reserves.

There is also the unofficial, or parallel, exchange rate that attempts to reflect the market value of the Bolivar currency and as of December 26, 2017, was at Bs.112,258 per \$1.00, or 33 times the official DICOM rate of exchange. The parallel rate fluctuates almost daily and has seen exponential depreciation since July 2017 when the exchange rate was about Bs. 8,000 per \$1.00. Purchasing dollars from black market brokers at this rate is prohibited, but occurs.

Section II. Labeling Requirements:

There are currently three sets of documents which serve as sources for labeling requirements in Venezuela. These are: the General Food Norm, the Law for the Defense of People in the Access for Goods and Services, and the General Standards for Labeling of Packaged Foods (Venezuelan Commission for Industrial Norms, COVENIN No. 2952:2001). Beverage alcohol products must be registered with MINSALUD. An online version of the General Standards for Labeling of Packaged Foods can be found at the following website: <http://www.sencamer.gob.ve/sencamer/normas/2952-01.pdf>.

MINSALUD oversees processed food labeling in Venezuela. Labeling is mandatory for domestically

produced and imported food products. MINSALUD authorities may require the elimination or modification of any paragraph or phrase concerning a particular product, as well as recommending the addition of any paragraph or phrase they deem necessary. An informal summary of the relevant labeling information is below.

Language – All labels must be presented in Spanish. A Spanish translation of the original/foreign label must be authorized by MINSALUD. The approved label must be affixed, stamped, sealed or printed with indelible ink to the product prior to export because it has to enter the country in its final presentation. The information on the label must be stamped, sealed or printed with indelible ink. The use of computer technology for labeling is allowed. Suppliers are obliged to inform the importer about the characteristics of the product and in addition must also indicate the percentages of the components and ingredients of the product on the label.

The label must include the following information:

1. Brand name or trademark;
2. Descriptive name of the product;
3. Net weight or net content (only metric measurements are accepted);
4. List of ingredients in decreasing order of importance;
5. Manufactured by (name of company) in (name of city, state, country);
6. Imported by (name of importer/importing company);
7. Special handling and storage requirements to keep the product safe, if any;
8. Cooking and oven temperatures must be indicated both in Celsius and Fahrenheit;
9. Detailed instructions for preparation or use;
10. Expiration date and/ or Minimum shelf life, in a legible, visible and indelible form;
11. The MINSALUD Registration Number;
12. The SENCAMER (metrology) registration number.

Other requirements:

Nutritional Labeling: Only foods for special dietary use are required to include nutrient information on the label (according to the Official Gazette No. 31.106 dated November 9, 1976). Nutritional information must be expressed as a percentage of the recommended daily requirement set by the National Nutrition Institute. Recommended Daily Nutritional Intake may be different from those in the United States. The complete list is available at the Institute. The following additional information must appear on labels for processed foods that are marketed for specific dietary use:

- Energy value, protein, digestible carbohydrate and fat contents (expressed in grams);
- Amounts of any nutrients claimed to have special nutritional value;
- For vitamins A and D, nutrient content must be expressed in international units. For all other vitamins and minerals nutrient content must be expressed in milligrams or micrograms;
- Energy values must appear in calories.

Labeling for baby foods: There is no special labeling requirement for baby foods. It is known that MINSALUD is very concerned about the use of modified food starches. Mentioning processes used in modified food starches is strongly recommended at the moment of completing the food

registration process.

Seasonings, Colorings and Flavorings: Locally produced and imported ingredients that could be used in the formulation or further processing of food products must be registered with MINSALUD. The names of spices used as seasoning, colorings and flavorings of processed food products must be specified in the label.

Health Claims: Information about health claims is subject to the Ministry of Health's consideration and approval is given on a case-by-case basis.

Product that may cause allergies: If a product consists of or includes any of the following food products or ingredients that may cause any allergic reaction, it must be included on the label, with their specific names as follows:

- Processed food products containing grain gluten (wheat, rye, oats, barley, spelt or any grain hybrid or product);
- Crustacean and by-products;
- Eggs and by-products;
- Fish and fishery products;
- Soybeans and their products;
- Milk and dairy products, including lactose;
- Nuts and derived products.

Refund coupons or free offers: Promotions of domestically produced processed food products (free offers and coupons) are allowed if previously notified and approved by the SUNDDE. Information about general promotion conditions, valid dates and SUNDDE approval number must be affixed to the food product. Foreign countries' free offers or coupons are not valid in Venezuela. Therefore, this should be clearly specified on the Spanish version label, or if the label is printed especially for export, it is necessary to include this statement.

Section III. Packaging and Container Regulations:

In general, packaging and container regulations are enforced by SENCAMER, based on COVENIN established standards and norms, but in some cases the *Codex Alimentarius* guidelines apply. New manufacturing, storage and transportation practices for foods for human consumption were established by MINSALUD through Official Gazette N° 38,739, dated August 5, 2007 (which replaced the norms of Official Gazette N° 36,081, dated November 7, 1996). Containers, vessels, canning, bottling and packing materials used to handle inputs or finished products should meet the following general requirements:

- Should be manufactured with materials suitable for that kind of food such as glass, tin, plastic, paper, cardboard, or another material approved by MINSALUD authorities.
- Must not transmit substances to the food beyond the allowed limits under the standards in force.
- Shall not have been previously used for any different purpose that might contaminate the food.

Section IV. Food Additives Regulations:

General definitions concerning food additives and contaminants are contained in COVENIN norm No. 910. U.S. exporters should note that some food additives authorized by the Food and Drug Administration in the United States are not authorized in Venezuela, and vice versa.

Some general guidelines concerning food additives are:

- Food additives and contaminant tolerance levels are specified in individual COVENIN food standards.
- Food additives are approved during registration with the Ministry of Health, using COVENIN standards.
- In the absence of a COVENIN standard for a specific food additive, guidelines from *Codex Alimentarius* are used and are approved on a case-by-case basis by MINSALUD.
- For sausages, ham, meat and meat products in combination with other foods, the total level of nitrite and nitrate must be indicated.
- “Maximum Level of Chemical Residues” is based on *Codex Alimentarius* guidelines.
- When monosodium glutamate (MSG) is used, it would be useful for MINSALUD’s health registration purposes to specify the level used.

Section V. Pesticides and Other Contaminants:

INSAI is the government agency that has the responsibility or authority to monitor pesticide residues in agricultural and processed food products upon its arrival at Venezuelan ports. If an agricultural or processed food product is suspected of being contaminated with pesticides or similar products, INSAI can recommend its retention until further analysis proves the contrary. INSAI can recommend specific lab analysis to confirm contamination, but MAT, MINAL and MINSALUD are responsible for enforcing the retention of the product. If lab’s results confirm pesticide contamination, products will be destroyed and no indemnification will be granted.

All domestically produced and imported pesticides should be registered with INSAI. Venezuela does not have a national standard for pesticide Maximum Residue Levels (MRLs). However, regulations and guidelines concerning manufacturing, marketing and use of pesticides are under the “General Pesticide Regulations” (in Spanish: *Reglamento General de Pesticidas*) published in 1968 and updated in 1991 as per Official Gazette No. 34877. *Codex Alimentarius* “Pesticide Residue Tolerances Guidelines” are generally observed by INSAI. Information about approved pesticides is available through INSAI’s offices. The list of PESTICIDES and SEVERELY HAZARDOUS PESTICIDE FORMULATIONS (FPEP) prohibited or restricted are maintained by INSAI.

Section VI. Other Regulations and Requirements:

Facility and Product Registration Requirements

Animal Products and Unprocessed Plant Products

Imported products and sub-products of plant or animal origin, and animals and plant breeding material are subject to the issuance of SPS permits from INSAI. INSAI is authorized to restrict or prohibit the importation, marketing, or use of animal and plant products. For these cases, INSAI’s

“Standing Technical Advisory Body” will recommend the appropriate course of action on the basis of a risk analysis.

The general guidelines for importing animal and plant products are:

- The importer, exporter or producer should be registered with INSAI. The validity of this registration is indefinite, but it can be cancelled due to non-compliance with dispositions stated by pre-established laws and regulations;
- Prior to importing animal products and/or unprocessed plant products, importers should request and obtain a SPS import permit from INSAI;
- Specific SPS statements (treatment and other conditions) for each type of product are determined by INSAI on a case-by-case basis;
- Specific SPS statements are written on the import permit issued by INSAI;
- INSAI’s SPS import permits have a non-renewable period of validity of between 60 and 90 days, depending on the product;
- Sanitary health import permits are issued for animal products and livestock-farming inputs (validity of 60 days);
- Phytosanitary import permits are issued for plant products (validity of 90 days);
- Import permits are only used for one shipment and one pre-designated port of entry;
- Every shipment must be accompanied with an import permit issued by INSAI and its corresponding APHIS or FSIS export certificate;
- The “remarks” section of the APHIS or FSIS export certificate should include the specific SPS statements, and should be written both in English and Spanish;
- No product should be loaded in a vessel before the import permit is received and the corresponding sanitary statements from a competent authority are included in the export documentation.

Seeds

Import permits for seeds are issued by INSAI after conducting the pest risk analysis and assessing the corresponding results. Requirements for the pest risk analysis are provided by INSAI on a case-by-case basis. Both locally produced and imported seeds must be registered through the National Institute of Agricultural Research at the Division of the National Seed Service.

Processed Animal Products

A U.S. Department of Agriculture, Food Safety Inspection Service (FSIS) certificate must accompany each shipment of meat and poultry and/or processed animal products. Venezuela accepts imports from all FSIS approved plants. All federally inspected meat and poultry plants are eligible to export to Venezuela. Importers are also required to have an import permit before shipping unprocessed meat and poultry products. The GBRV requirements can be found at the following FSIS export certificate library link:

<http://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/Venezuela> .

Import Tax Exoneration for Basic Products

Article 91 of the Venezuelan Organic Law of Customs states that the National Executive may grant full or partial exemption from customs duties, among other, for the purposes used in industry, agriculture, farming, transportation, mining, fishing, manufacturing and in cases of products qualify as of first need or staples.

As of February 21, 2008, the import tax exoneration for certain agricultural and processed food products is permanent. Products of “first necessity,” to Venezuela’s consumers (normally part of the basic staple basket of food products, as per Official Gazette N° 38,875, dated February 21, 2008) are so classified. The import tax exoneration was implemented for the first time in January 28, 2003. It has been renewed several times and products on the original list have changed since then. Currently, MINAL and MINFINANZAS are responsible for reviewing and updating the list of products, with the recommendations of the “Inter-Ministerial Commission.”

Products Exempted from Import Tax

Live bovine animals	Meat of bovine animals, fresh, chilled, frozen, including boneless	Powdered milk, infant formula and soy-based infant formula
Durum wheat and other wheat	Potato seeds	Sugar cane seed for sowing
Oilseeds (soybean, sunflower, cottonseed and palm nuts and kernels) for sowing	White and yellow corn seed for sowing	Vegetables, for sowing: onion, broccoli, carrot, lettuce, and tomato
Dry beans, peas and lentils, for sowing	Dry beans, peas and lentils	Protein concentrates and textured protein substances

Source: GBRV Official Gazettes

Value Added Tax

The Government of Venezuela through the SENIAT applies a flat 12 percent Value Added Tax (VAT) on sales of domestically produced and imported food products. The VAT applied to imports is based on the total customs value. Certain food products from the basic food basket are VAT exempted.

Products Exempted from VAT

Rice	Coffee, beans or grounded	Milk, soy-bases
All flours, of vegetable origin	Tuna, canned, natural	Cheese, white, hard
Bread and pasta	Sardines, canned	Margarine and butter
Eggs	Milk, crude or pasteurized	Poultry, fresh or frozen
Salt	Milk, powdered	Certified seeds
Sugar	Milk, infant formulas	Vegetables

Genetically Modified Organisms

On December 28, 2015, the GBRV published a new Seed Law banning the use and research of modern biotechnology in agriculture. This law also prohibits the production, import, use, release and multiplication of transgenic or genetically engineered seeds. In addition, the Law prohibits the granting of copyright protection and patents on any type of seed. Violators of this law can be subject to sanctions ranging from fines to imprisonment.

Section VII. Other Specific Standards:

Processed Food Products/ Health Registration

All domestically produced and imported processed food products must be registered with MINSALUD's the Sanitary Control Service, or Comptroller (at www.sacs.gob.ve), through the Food Hygiene Division prior to commercialization to Venezuelan consumers. Although Venezuelan law does not prohibit a foreign exporter from registering food products, a local consultant or agent may be a helpful resource to navigate the food registration process.

A suggested list of experts in the registry of food products is provided by the Venezuelan Food Industry Chamber (Spanish acronym: CAVIDEA). See Appendix I for details. CAVIDEA members are represented in the Norms Committee. See CAVIDEA's web site for more details: <http://www.cavidea.org/>.

Below are some general guidelines for registering a processed food product:

- All consumer-ready food products under the following Venezuelan Harmonized Schedule headings HS codes: 03,04,05,16,19,20,21 and 22 are subject to registration;
- Prior to importing consumer-ready food products, importers should obtain a registration number from MINSALUD;
- Processed foods not registered in the country of origin cannot be registered in Venezuela;
- All new-to-market local or foreign processed food products must be submitted for registration before being imported. This new product will be subject to approval for registration by MINSALUD after several lab tests as well as to prove that it is apt for human consumption;
- The foreign exporter/seller is the owner of the product registration, although authorized importers can proceed with the registration process;
- The processed food product health registration is valid for five years; however, renewals are permitted;
- MINSALUD would consider exceptions to the registration process for food imported by government entities;
- If an imported product does not meet the minimum quality standards or does not have a health registration number, it could be confiscated and/or destroyed by MINSALUD authorities;
- Inspection at the point of sale is done by MINSALUD and SUNDDE authorities on a regular basis to determine if imported products are fit for human consumption, have sufficient shelf life, or are thought to have been adulterated.

Obtaining a Health Registration Number for Processed Foods - Step by Step

In general, the time duration to register processed food products through MINSALUD is between 45 to 60 working days, but often takes longer because of the high number of applications. The following is a guideline of the step-by-step process:

- Submit an application for the Health or Sanitary Registration for Food (form SIE 5 197) from MINSALUD. Documents accompanying the application, certificate of free sale and the authorization or a power of attorney to a representative or a local consultant or agent, must be issued by foreign authorities, translated into Spanish and “apostilled” or stamped (as per The Hague Convention on Foreign Public Documents);
- A certificate of free sale and consumption issued by competent authorities in the country of origin, which state that the food has been authorized for human consumption, or for processing, or for use as an input in food for human consumption in the country of origin, with a period of validity of 12 months from the date of application (as previously said, apostilled by a Notary Public);
- Certificate of chemical, physical and microbiological test conducted by an accredited lab in the country of origin (registered by USDA);
- A power of attorney, authorizing the Venezuelan representative to apply for health registration of the product in Venezuela (also apostilled by a Public Notary);
- A letter of authorization from the Venezuelan representative, if a third party is requesting the health registration on his/her behalf;
- One sample of the food product;
- Three copies of the original labels from the country of origin and three examples of the label for marketing the product in Venezuela, in Spanish.

Labels should include the following information:

- Descriptive name of the product;
- Trademark;
- Net weight;
- Net contain;
- List of ingredients in the manufacture of the product, in descending order
- Manufacture by [*company name*], in [*plant location*];
- Imported by [*local importer/distributor*];
- MINSALUD registration number [#];
- In the case of food products that require special storage conditions, these should be clearly indicated;
- Any other requirement listed by SENCAMER (COVENIN) standards, the General Food Norms, or specifications of MINSALUD;
- List of ingredients, including additives, colors and preservatives.

Once all documents are submitted, MINSALUD gives authorization to conduct the corresponding laboratory testing for each of the food products to be registered. For meat, poultry, and dairy products, lab tests must be conducted in the MINSALUD’s main laboratory: the Rafael Rangel National Institute of Hygiene. For all other processed food products, MINSALUD designates (on a case-by-case basis) an accredited private lab to conduct food testing. Lab results are submitted directly to MINSALUD. If the lab results are considered satisfactory, MINSALUD will assign a

health registration number. Health registration numbers are published in the Official Gazette.

Samples for Registration Process

As part of the health registration process, the U.S. exporter or Venezuelan importer must submit samples (generally no more than three) of each product/model for which a registration is being sought to MINSALUD's previously designated and accredited Venezuelan laboratory. Samples without commercial value should meet the following requirements in order to obtain exemption from the payment of import duties and value-added tax:

- Sender needs to be the producer of the product, its representative, or the authorized exporter;
- The addressee shall be a company or an importer with experience in this activity;
- All documentation (commercial invoices, transportation invoices or others) shall contain annotations demonstrating that the products are samples without commercial value;
- Samples should be identified as having no commercial value. It is advisable to mark the package with the following wording "Muestras sin valor comercial para su registro en el Ministerio de Salud" (samples without commercial value for registration with the Ministry of Health).

Section VIII. Copyright and/or Trademark Laws:

The previously mentioned regulatory authority, SAPI, is responsible for intellectual property rights administration in Venezuela. While Venezuela is a member of the World Intellectual Property Organization and remains a signatory to various international intellectual property agreements, until recently it applied Andean Community regulations. Through Andean Community Decision 486, Venezuela ratified the provisions of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights. Even though Venezuela is no longer a member of the Andean Community, it is important to note that Andean Community regulations for trademark protection are still valid in Venezuela.

Brand Name and Trademark Registration Process

All brand names and trademarks of local and imported processed food products to be sold in Venezuela must be registered with SAPI. Usually, brand name and trademark registrations are among the services provided by specialized law firms in Venezuela. The procedures for the registry of brands could be found at the following link: <http://www.sapi.gob.ve>.

The basic guidelines for registration of brand names and trademarks are:

- Prior to registering, a name search should be conducted;
- Approval or rejection of a brand name is based on phonetics and spelling matches with brands for similar products;
- Approved and registered brand names are published in quarterly SAPI bulletins;
- All the documents relating to patents, designs, trademarks, etc. are published in the Industrial Property Bulletin;
- The process takes from three to six months to be completed.

Section IX. Import Procedures:

The GBRV has implemented the United Nations Customs Computerized System in the majority of Venezuelan ports of entry. Clearing customs should take approximately five to eight working days. By law, only nationals and private customs agencies with Venezuelan local staff are entitled to conduct customs procedures. A customs agent assesses customs, port charges, and taxes as well as fills out paperwork forms. Generally, the customs agent's fee is one percent of the CIF value, plus any other charges accrued during offloading.

All imported goods presented at the ports of entry must be officially declared to SENIAT authorities within five days of arrival. Fines may be levied and applied to any shipment when the customs entry is made later than five days after the date of arrival. When an importer either delays or refuses to claim a product arriving in Venezuelan ports, SENIAT will impound the goods not claimed, and, if steep fines and storage fees are not promptly paid, sell the goods at an auction.

All shipments must be made on a direct consignment basis. Customs regulations stipulate that the consignee is the owner of the shipment and is responsible for all customs payments. Importers must register all of their products with MINSALUD's Comptroller prior to placing the product on the Venezuelan market.

Import Duties

Import duties are calculated using the WTO Harmonized Scheduled Tariff classification system on the CIF value of the products (using the commercial invoice as basis). Import duties are assessed, due and payable at time of arrival. Import duties and fees are assessed in local currency, regardless the currency listed on the commercial invoice. The VAT rate of twelve percent is calculated on the basis of the CIF value.

Customs Fees

SENIAT charges one percent of the CIF value for processing shipments and for the use of the port of entry. In some cases an additional stamp fee is added to offset the cost of processing these imports. Both the SENIAT Customs & Port Fee and Customs Stamp Fee are calculated on CIF value.

Inspections

Products are inspected by MINSALUD and/or INSAI officers, as applicable, according to the type of product being imported. MINSALUD inspects processed products, while INSAI inspects non-processed animal and plant origin products. Phytosanitary inspections address plant pests and plant disease and are handled by INSAI. Sanitary inspections address human health concerns associated with hazardous pathogens and are handled by MINSALUD. No matter the type of agricultural and processed food products, all imports are subject to inspection by SENIAT, the National Guard (in Spanish: *Guardia Nacional*), and the Anti-Drug Command. There are no inspection fees.

Control of Products at Ports of Entry

The General Food Law authorizes MINSALUD, INSAI, the National Guard, and SENIAT authorities with the power to reject, confiscate, or destroy imported food and agricultural products if:

- Documentation is incomplete;
- Permits are invalid;
- The product is determined to be unfit for human consumption;
- The product has insufficient shelf life;
- The product is thought to have been adulterated.

If the cargo is rejected, it can be temporarily stored at the port of entry at the importer's expense until the appeals procedures have been completed. In cases where imports are confiscated or destroyed because they have been judged by competent authorities to be unfit for consumption, importers are not eligible for compensation.

Below there is a list of procedures which must be completed to clear the products at the port of entry:

- Incoming shipments must be inspected by an agent of SENIAT who will compare the contents of the shipment to the import documentation such that it conforms to the invoices, packing lists, and other paperwork;
- The goods are then inspected by the MINSALUD (or INSAI);
- A SENIAT appraiser compares the declared invoice price with international prices to monitor for evidence of dumping or tax evasion;
- A customs agent assesses customs, port charges, and taxes and completes a liquidation form;
- The liquidation form, accompanied by the required MINSALUD import permits, is stamped by SENIAT and port authorities;
- The customs agency deposits the amount due in a SENIAT account in a local bank and presents the deposit slip to SENIAT and port authorities to obtain final clearance;
- The merchandise is then released by customs.

Document Requirements

According to Venezuelan customs regulations, all imports should be warehoused at the port of entry while customs clearance is being completed. All shippers are urged to provide all documents tendered for customs purposes in Spanish to avoid processing delays. The documents needed for customs clearance may include, but are not limited to:

- Customs declaration of value;
- Commercial invoice (original invoice/no photocopies accepted);
- Insurance and Freight must be listed separately on the commercial invoice;
- Bill of lading;
- Certificate of origin;
- Shipment manifest;
- SPS certificate, if required;
- Import license, if required.

Appendix I. Government Regulatory Agency Contacts:

MINAL

Av. Andrés Bello - Edificio “Las Fundaciones”

Municipio Libertador, Caracas

Tel: (58-212) 577-0257 / 395-7474

Fax: (58-212) 578-2647

<http://www.minpal.gob.ve/>

Email address of Public Relations: oirp@minal.gob.ve

MAT

Av. Urdaneta, Edificio “MAT”

Esquina de Platanal a Candilito

La Candelaria, Caracas

Tel: (58-212) 509-0347/ 0348/ 0359/ 0360/ 0361

<http://www.mat.gob.ve>

INSAI

Av. Principal Las Delicias.

Edif. INIA MARACAY - EDO – ARAGUA

Caracas, Venezuela

Tel. (58-243) 242-8062

<http://www.insai.gob.ve>

Emails: presidencia.nuevoinsai@insai.gob.ve; or, direcciongeneral@insai.gob.ve

MPA

Av. Lecuna, conjunto residencial Parque Central, torre Este, piso 17, municipio Libertador Caracas.

Tel. (58-212) 577-76-45. (58-212) 574-43-11

<http://www.mpppa.gob.ve/>

INSOPESCA

Av. Santa Lucia con Av. Principal del Bosque y Santa Isabel

Urb. El Bosque, Torre Credicard, piso 9

Tel. (58-212) 593.86.91 . (58-212) 951.39.86

<http://www.insopesca.gob.ve/>

MINSALUD

Av. Baralt, Centro Simón Bolívar, Edificio Sur

El Silencio, Caracas

Tel: (58-212) 408-0000

<http://www.mpps.gob.ve>

Email: atencionalciudadanompps@gmail.com

Sanitary Health Service (or Comptroller)

Directorate for Food Safety and Inspection

Ministerio del Poder Popular para la Salud

Av. Baralt, Centro Simón Bolívar,

Edificio Sur, piso 3, Of. 313
El Silencio, Caracas
Tel: (58-212) 408-1533/ 484-3066
Fax: (58-212) 483-1533
<http://www.sacs.gob.ve/site/>

Rafael Rangel Hygiene Institute
Gerencia de Control y Registro de Alimentos
Ciudad Universitaria UCV, Los Chaguaramos, Caracas
Tel: (58-212) 219-1670 / 219-1663
<http://www.inhrr.gob.ve/>

National Institute for Nutrition
Av. Baralt, Esquina El Carmen
Edificio INN
El Silencio, Caracas
Tel: (58-212) 482-6473
<http://www.inn.gob.ve>
Email: prensa@inn.gob.ve

MPPEF
Av. Lecuna, Torre Oeste de Parque Central
Entrada Nivel Lecuna – Caracas 1001
Tel. (58-212)-596-7616
<http://www.mppef.gob.ve/>
Email: prensa@mppi.gob.ve

SENCAMER
Av. Libertador, C.C. Los Cedros, Planta Baja
La Florida, Caracas
Tel: (58-212) 761-6474
<http://www.sencamer.gob.ve>

SAPI
Centro Simón Bolívar, Edificio Norte, Piso 4
El Silencio, Caracas
Tel: (58-212) 481-6478
Fax (58-212) 483-1391
<http://www.sapi.gob.ve>

SUNDDE
Av. Libertador, C.C. Los Cedros, PB.
La Florida, Caracas 1050

Tel: (58-212) 705-3100 (0-800-5658-786)

<http://sundde.gob.ve>

SENIAT

Av. Blandín, C.C. Mata de Coco, Torre SENIAT

La Castellana, Caracas

Tel: (58-212) 274-4000/ 274-4026

<http://www.seniat.gob.ve>

DICOM

Details on the currency exchange system can be found at: <https://www.dicom.gob.ve>.

Appendix II. Other Import Specialist Contacts:

Venezuelan-American Chamber of Industry and Commerce

2da.Av. de Campo Alegre, Torre Credival, Piso 10, Ofic.A, Caracas 1060, Venezuela

Tel: (58-212) 263-0833/267-20-76/64-81

Fax: (58-212) 263-20-60

<http://www.venamcham.org/>

National Association of Supermarkets

Av. Principal de los Ruices

Centro Empresarial Los Ruices, Piso 1, Ofic. 116

Caracas 1071, Venezuela

Tel: (58-212) 234-4490 / 235-7558

Fax: (58-212) 238-0308

<http://www.ansa.com.ve/>

CAVIDEA

Ave. Principal de los Ruices

Centro Empresarial Los Ruices, Piso 5, Ofic. 510

Caracas 1071, Venezuela

Tel: (58-212) 237-6183

Fax: (58-212) 237-9918

<http://cavidea.org/>

VENAMCHAM Committee of Norms (contacts)

INGRID ESAA

Tel (58-212) 484.37.36 / 0416-627.20.52

Email: iesaaaj@gmail.com

CIRA GARCIA

Tel (58-212) 256.03.70 / 0414-316.4379

Email: ciragarcia@gmail.com

LIANE MORA

Tel (58-212) 284.17.68 / 0412-284.17.68

Email: tlmasociados@gmail.com

HECTOR BENAVENTE

Tel (58-212) 959.26.96 / 0416-627.74.27

Email: hbaconsu@infoline.wtfe.com

MANUEL COLS PAEZ

Tel (58-212) 632.75.46 / 0414-326.70.15

Email: mcols2@cantv.net

U.S. Department of Agriculture in CARACAS

Office of Agricultural Affairs/ American Embassy

Calle F c/c Suapure, Colinas de Valle Arriba

Caracas, 1070, Venezuela

Tel: (58-212) 907-8333/ 907-8529

Fax: (58-212) 907-8542

Email: AgCaracas@fas.usda.gov

Appendix III. Food Products Subject to Regulated Price Controls:

Beef - several types, carcass meat

Blended Oil

Bologna Sausage

Bottled water

Cheese – white, soft, Gouda, Dembo, Edam, Fymbo, Munster, etc.

Chicken, whole, cut, breast, legs

Chicken (feed for chicken)

Cocoa (domestic production)

Coffee (domestic production) beans, roasted and ground

Corn (domestic production) white and yellow

Corn Flour

Corn Oil

Fruit Juices pasteurized

Infant formulas

Jams/baby food

Margarine

Milk, Infant Formulas

Oatmeal

Pasta and Bread

Peas, Lentils and Black Beans

Pork – chops and pork ribs

Powdered Milk

Refined Sugar and Brown Sugar

Rice
Salt
Sardines and Tuna
Sorghum
Soy Milk
Soybeans (domestic production)
Sunflower
Sunflower Oil
Tomato sauce
Vegetable oil – mix
Wheat bread
Wheat Flour

See the following link for more information on regulated price controls and products:
<http://www.superintendenciadepreciosjustos.gob.ve/>.